

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7246**

**BILL NUMBER:** SB 487

**NOTE PREPARED:** Jan 15, 2003

**BILL AMENDED:**

**SUBJECT:** Handgun Background Checks.

**FIRST AUTHOR:** Sen. Bray

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill provides that dishonorably discharged veterans, persons who use or are addicted to unlawful drugs, persons who have been charged with or convicted of certain crimes, persons subject to restraining orders related to domestic violence, persons suffering from a mental disease or defect, and certain aliens may not receive a handgun license. The bill also specifies that a dealer may not sell a handgun to a prospective purchaser if a State Police background investigation is pending. (The introduced version of this bill was prepared by the Criminal Law Study Commission).

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** This bill conforms Indiana statute to federal law. The provisions could potentially lead to fewer handgun licenses sold due to the more stringent "proper person" definition. According to current law, the fee for a qualified handgun license for hunting and target practice is \$5 and for an unlimited handgun license for the protection of life and property is \$15. Distribution of the revenue is to the state General Fund. In CY 2001, there were 210 qualified licenses and 80,121 unlimited handgun permits issued.

There are no data available to indicate how many of these licenses have already been issued to people who would be subject to the more stringent "proper person" definition. Those who are, would be subject to having their licenses revoked or suspended.

According to the Indiana State Police Department, the state's handgun law must conform to the federal

government's definition of a "proper person" if the Department wishes to remain a point-of-contact for the federal government's National Instant Check System. According to the State Police, if the state does not comply with the federal definition, the Department will lose its point-of-contact status and the federal government will then administer the state's handgun check system.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana State Police Department.

**Local Agencies Affected:**

**Information Sources:** Tony Sommer, State Police Department, (317) 232-8226.

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